



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Pinedale Field Office
PO Box 768
1625 West Pine St.
Pinedale, WY 82941



In Reply Refer To:
1610 (LLWYD01) P
Adaptive Management Proposal #2 2011

Dear Sir or Madam:

In accordance with an October 20, 2010 memorandum, I am requesting public comment on a proposal to apply adaptive management to a Pinedale Anticline Project Area process.

Background

On February 2, 2011, a Review Team consisting of two wildlife biologists, a planner from the BLM and a biologist from the Wyoming Game and Fish Department was convened to evaluate the elements of a proposal to clarify implementation of the Supplemental Environmental Impact Statement (SEIS) Record of Decision (ROD) for the Pinedale Anticline Oil and Gas Exploration and Development Project.

The proposal was, among other things, to clarify:

- How requests for relief from seasonal restrictions on the Pinedale Anticline would be considered outside of the areas where specific guidance was contained;
- How the “once on the pad stay on the pad” concept would be interpreted;
- The progression of development activities in DA 2 and 3 related to the New Fork River corridor.

On February 23, 2011, the Review Team recommended submitting the proposal for public review and comment after evaluating it against three key requirements of the October 2010 adaptive management policy. These requirements include:

- Are the changes needed?
- If the changes are necessary, do the changes require immediate implementation?
- Will the proposed changes require additional planning?

For each proposed change, the Review Team concluded that the change were needed, that it required immediate implementation and that additional planning was not required.

It was also determined that several elements did not require adaptive management changes to decisions contained in the SEIS ROD. Rather, most were simply clarifications of existing decisions or administrative adjustments to internal documentation; only one required an adaptive management change.

Each element discussion is enclosed. Please focus on the detailed recommendations of the Review Team as found in each section under the heading of “clarification”, “decision”, or “proposed adaptive management decision.” These are followed by my determination of which type of action the recommendation represents.

Prior to implementing the one proposed adaptive management change, the BLM would like to hear from you. **Please consider the enclosed materials and provide comments to the Pinedale Field Office by November 15, 2011.** Following this comment period, the Review Team will reconvene and internally discuss all comments regarding the adaptive management proposal and determine how to proceed.

This letter and the enclosed materials are also available at
http://www.blm.gov/wy/st/en/field_offices/Pinedale/anticline.html.

If you have any questions, please feel free to contact me or Mark Thonhoff, Review Team lead, at (307) 367-5300

Sincerely,

Shane DeForest
Field Manager, Pinedale Field Office

Recommendations of the Review Team for Adaptive Management Change Proposal #2 2011

- Review Team recommendations are numbered one through eight.
- The proposed adaptive management decision is number six.
- **Proposed Adaptive Management** decision (comments requested) or final **Decision** or **Clarification** (provided for informational purposes) are noted in bold below the rationale.

General Statement of Concern leading to Review Team Recommendations

As year round drilling (YRD) continues through the progression plan and into new development areas, the BLM has a need to provide more clear guidance as to the application of the wildlife exception process provided in the PAPA SEIS ROD. These clarifications will assist operators in planning for future delineation and development and provide a basis for the BLM to consistently interpret several scenarios as development progresses.

1. As development progresses through DA1, DA2, and DA3 the provision in the SEIS ROD providing for the granting of exceptions to big-game and sage-grouse stipulations will not apply to proposals which would deviate from the prescribed spatial arrangement. The consideration process for requests for exception to seasonal restrictions outlined in the current Pinedale RMP (PRMP) will be used to evaluate each request on the Anticline outside of the prescribed spatial progression sequence. Specifically, the review team is concerned with those locations that may be “drilled out” under current spacing orders but due to new information, an Operator requests reoccupation.

Rationale

The SEIS ROD provides for relief from seasonal restrictions within 5 development areas and potentially the PDA. However, it does not address how this provision would apply to proposals not in conformance with the prescribed spatial progression sequence. The intention behind concentrated year around development was to minimize human disturbance in a DA, at any given time, to as compact a geographic area as possible. The year around activity within these areas provided by the seasonal relief was mitigated by the compact concentrated geographic scope of the activity. It does not then follow that the granting of relief from seasonal restrictions outside of the defined spatial progression sequence would be consistent with the philosophy behind concentrated year around development as mitigation for the granting of relief from seasonal restrictions. The net effect of granting seasonal relief within and outside of the defined spatial progression scenarios would be to expand the scope of the intensive human activities. The SEIS ROD is silent regarding the application of exceptions to activities which do not conform to the DA-specific spatial progression requirements.

CLARIFICATION: Upon further review, this recommendation was determined to be a clarification of an existing decision to address any future drilling activity at locations previously “drilled-out” under current approved downhole spacing and is further elaborated upon below.

○ DA1

- Should unforeseen drilling activity become desirable (such as, tighter downhole-spacing) at locations previously “drilled-out” and outside of the current approved area of concentrated development, the Operators may either 1) request an exception in accordance with the SEIS ROD without changing the shape/location of the 6 square mile area or 2) request a realignment of their current approved 6 square mile area to encompass the new area of requested activity. Leap-frogging of the 6 square mile area outside of the south to north progression or splitting of the 6 square mile area of concentrated development will not be allowed. Decisions regarding these requests will be made by the AO at the annual planning meeting for development.

○ DA2/3

- Should unforeseen drilling activity become desirable (such as, tighter downhole-spacing) at locations previously “drilled-out”, the Operators may request an exception in accordance with the SEIS ROD. Leap-frogging year round drilling activity throughout DAs 2 and 3 or development in DA-3 in more than one 2 mile wide band at a time will not be allowed.

○ Flanks

- As stated in the SEIS ROD, year round drilling is not authorized in the “flanks” (See SEIS ROD page 13, Section 2.8.4). Any exception requests for actions not related to year round drilling/delineation access (such as APD COAs, lease stipulations etc.) will be processed in accordance with the PRMP ROD (See Appendix 8, PRMP ROD).

To reiterate, the SEIS ROD is very specific: The exact location, extent, and duration of relief from seasonal habitat restrictions will be determined at the annual planning meeting for all DAs (SEIS ROD pg. 7, S2.8.1)

2. There will be no exceptions granted in DA-3 until all drilling operations within two miles on the north side of the centerline of the New Fork River.

Rationale

The SEIS ROD specifies on page 7 that “Development will be limited to two groups of drilling rigs; one in the southern portion of DA-2 and one in the northern portion of DA2; drilling will converge in the center.

The SEIS ROD Depicts the River Corridor on Map 4, page 8 as the one mile wide area either side of the centerline of the river.

The SEIS ROD states on page 9, the granting of exceptions to big-game and sage-grouse stipulations will not apply in DA-3 “until the southernmost group of drill rigs in DA-2 move **1 mile north of all portions of the New Fork river corridor**”.

This contrasts with discussion in section 2.8.3 of the SEIS ROD on page 11 which states that “**Should year-round development and delineation within the River Corridor be allowed**, development in DA-3 will be initiated when year-round development moves **1 mile north of the New Fork River** in DA-2”.

There has been some question as to how the drilling activities within the New Fork River corridor on private surface and federal minerals and/or private surface and private minerals are to be considered.

Discussion:

Decisions of the SEIS ROD by law may only be applied to areas of federal jurisdiction, including private surface/federal minerals but not private surface/private minerals.

BLM has previously determined that it cannot authorize year round drilling at several locations within the river corridor due to Bald Eagle nesting. Therefore, year round drilling cannot and is not occurring. This makes the provision on page 11 of the SEIS ROD in section 2.8.3 that mandates that all federal acreage has to be drilled out within a one mile band north of the New Fork River centerline not applicable, because year round development and delineation is not allowed.

It is generally recognized that the management intent is to keep development activities confined to one side of the river at a time.

CLARIFICATION: Upon further review, this recommendation was determined to be a clarification of an existing decision to address any confusion regarding the consideration of non-federal surface and/or minerals and the granting of exceptions in DA-2, DA-3 and the River Corridor.

- YEAR ROUND DEVELOPMENT WILL BE ALLOWED TO PROCEED IN DA3 when operators certify in writing that all federal mineral resource has been fully developed within the area that is one mile north of the New Fork River Corridor (two miles north of the New Fork River).
- Because year-round development and delineation involving federally administered estate in the River Corridor cannot be authorized in full, the constraint in section 2.8.3, last sentence

of the paragraph on page 11 does not apply. The constraints defining delineation and development in DA-3 found in section 2.8.1.1 and 2.8.1.2 are in effect.

3. Exceptions to sage-grouse habitat COAs in DA-5 PDA will not be granted in cases where leks are being cumulatively impacted by development on the PAPA and Jonah field.

Rationale

The SEIS/ROD 2008 does not address how impacts from potential drilling within the Jonah Infill potentially impacting any of the 5 key leks identified in section 2.8.2.1 of the Anticline ROD would be considered in allowing year round drilling in the DA-5 PDA should it be requested. Management actions should incorporate the effects outside of the PAPA in conjunction with developmental impacts.

DECISION: Upon further evaluation, this item is not ripe for consideration under the Adaptive Management process. If and when such a situation should arise, it will be handled through site specific NEPA analysis and through the Annual Planning Meeting process. It is not considered ripe for consideration at this time because 1) this assumes that BLM is going to allow year round development (YRD) in Jonah at the same time year round drilling the DA-5 PDA is occurring, 2) there is no request for YRD in the DA-5 PDA, 3) activity in Jonah is scheduled to be completed no later than 2013-2014 and Shell has committed to no development drilling in DA-5 until 2013; no development is currently proposed by Newfield either.

4. The provision in the SEIS ROD providing for the granting of exceptions to big-game and sage grouse stipulations in order to facilitate concentrated year round development will not apply for development in DA-3 west of the north-south line dividing Range 108 and 109 West until development activities east of this line are completed.

Similarly, once development begins west of this line in DA-3, the big-game and sage grouse exceptions allowed under the SEIS ROD will be no longer be applicable for additional development east of the line. In these cases, the consideration of requests for exceptions will utilize the process outlined in the PRMP Record of Decision on a case by case basis.

Rationale

Section 2.8.1.1 of the SEIS ROD specifies that year round development in DA-3 may begin once the southernmost group of drill rigs in DA-2 moves 1 mile north of all portions of the River Corridor, but does not outline the systematic progression of year round development. It does however, specify the intent of the progression to “provide maximum undisturbed pronghorn crucial winter range and minimize disruption of pronghorn movement.” The progression of Delineation in DA-3 is more thoroughly described in Section 2.8.1.2 as occurring in two phases. In the discussion of Phase 2 delineation, development of DA-3 is captured as a circumstance triggering Phase 2 delineation. The lack of a specific adjudication of a development sequence for DA-3 in section 2.8.1.1 but reference in section 2.8.1.2 has been confusing. For ease of interpretation and monitoring, to apply the same progression sequence as described for delineation in this development area seems practical. The proposed change would establish a protocol that provides for a means to consistently evaluate proposals within this DA by applying the same demarcation point provided for in the SEIS ROD for delineation activities in the DA.

CLARIFICATION: Upon further review, this recommendation was determined to be a clarification of an existing decision to address any confusion regarding the development progression required in DA3 for both delineation and development.

- In accordance with the SEIS ROD, delineation will be allowed in DA-3 under the phased delineation strategy with exceptions to big game seasonal habitat restrictions BUT NOT FOR SAGE GROUSE.
- In accordance with the SEIS ROD, delineation will proceed first from the Range 108/109 line in bands 1.5 miles wide east from this line toward the east side of the DA. When phase 1 is complete, phase 2 delineation will then begin at the line demarcating Range 108/109 and proceed west in the same 1.5 mile wide bands toward the west side of the DA.
- When phase 2 delineation begins, year round development may begin with exceptions to big game and sage grouse seasonal restrictions in DA-3 starting on the far east side of the DA and utilizing the same 1.5 mile wide bands, proceed west towards the west boundary of the DA.
- In order to meet the SEIS ROD intent to provide maximum undisturbed pronghorn crucial winter range and minimize disruption of pronghorn movement, year round development within these bands will further progress from south to north.
- Delineation or development activity may not be underway in more than one 1.5 mile band at any given time (one per delineation; one per development).
- A major mitigation measure of the SEIS ROD identifies delineation as a first step to development in the PAPA in order to avoid unnecessary disturbance and determine the productive extent of the natural gas resources as well as the most efficient recovery

method (down-hole spacing). Should operators choose to forego delineation in this DA, these mitigations will not be as effective, and the availability of exceptions to seasonal restrictions for either big game or sage grouse will not be assured.

- Operators are to request initiation of delineation and/or development, identify the proposed 1.5 mile wide band and/or the conclusion of delineation/development in the current 1.5 mile wide band, and decisions regarding the proposed bands/activities/seasonal exceptions will be made by the AO at the annual planning meeting for development.

Portions of the PDA adjacent to DA-3 will be included in the progression for either delineation or development, as necessary, and will be a part of the progression sequence in order to be consistent with SEIS ROD intent for maximizing undisturbed pronghorn crucial winter range.

Development within the southern portion of the River Corridor will strive to be in sequence with the timing of northern development activities within DA-3 (i.e. River Corridor drilling should progress from east to west as the YRD drilling moves east to west in DA-3 to the extent possible).

See Clarification for Recommendation #1 for further discussion of activities which do not conform to the spatial progression requirements of the SEIS ROD.

5. Exceptions granted under the "once on a pad; stay on the pad" concept will be issued for 1 year at a time. They may be re-issued the following year based upon a new request during the annual planning meeting.

Rationale

The granting of exceptions in the SEIS ROD, within the defined Development Areas were considered under the SEIS and subsequently authorized in the SEIS ROD. However, the granting of exceptions for more than one year at a time could potentially compromise the ability of the BLM to respond to changing conditions.

CLARIFICATION: Upon further review, this recommendation was determined to be a clarification of an existing decision to address any confusion regarding how once on the pad; stay on the pad requests for occupancy will be addressed.

- The exact location, extent, and duration of relief from seasonal habitat restrictions will be determined at the annual planning meeting for all DAs (SEIS ROD pg. 7, S2.8.1) and will be based upon the sequence of activity, the intensity of activity and the wildlife species being affected. Generally, year round drilling exceptions will be granted on a yearly basis to allow for review against current wildlife data and reclamation success.
- Exceptions greater than one year in duration can be granted where it is shown that conditions are not expected to change, and when operators have shown satisfactory compliance with all provisions of the SEIS ROD.

6. The BLM will adhere to a strict interpretation of the “once on a pad; stay on the pad” concept in order to limit the impact to wildlife and still allow for responsible year round development. All seasonal exceptions granted under the “once on a pad; stay on the pad” concept will be void if there is a three (3) week or longer break in activity on the location during the excepted time period. This includes delay between drilling and completion operations. Should this circumstance occur, the Operators will be required to request a new exception. Approval of the request will be based on consideration of any changes in the situation which may have occurred during the break in activity.

Rationale

The mitigation of impacts accomplished through the once on the pad stay on the pad concept is, fundamentally centered on the idea that once activity commences, wildlife not present at the onset of activity would be deterred from occupying the site. When a stoppage of activity occurs, it is conceivable that wildlife could move in, and unintended impacts could occur when activities resume. If wildlife “choose” to be present while activities are ongoing the associated impacts could be considered not significant. Further, once on the pad, stay on the pad was an enticement to the operators to complete all developments on the pad by affording them the opportunity to avoid added costs associated with demobilization and remobilization.

PROPOSED ADAPTIVE MANAGEMENT DECISION: Operators are required to submit, as a part of their annual development plans, Programmed breaks in continuous pad operations (Requests to Occupy). This information will be evaluated on a case by case basis and will be judged against the unique circumstances associated with the requested break in activity and the conditions/timing of the activity in relation to any species potentially affected.

In addition, there could be unexpected breaks in activity for a number of reasons. In this case, if an active well pad with approved YRD drilling and/or completion operations becomes inactive for a period longer than 72 hours, the Operator will be required to notify the AO immediately.

The Operator will follow-up immediately in writing and provide the following information:

Well pad

Dates of Exception

Wildlife species involved

Reasons for pad inactivity

Estimated date of re-occupation

The review team will evaluate the new information and make recommendations to the AO. In the event, following a review of the circumstances, that impacts from the re-occupation of the well pad by any activity associated with authorized year round drilling and/or delineation activities would be unacceptable (i.e. cause life-cycle interruptions, violation of MBTA, etc.), the exception request can be placed in temporary suspension. Relief from the temporary suspension can be acquired through the submittal of a Request for Relief; collection of species specific survey information documenting inactivity and/or cessation of that particular lifecycle process may be necessary and will be coordinated with the appropriate BLM biologist prior to any surveys.

7. Revise the on-line exception tracking form to provide for a distinction between exceptions approved under the PAPA SEIS ROD allowing for year around development and those in other areas of the Field Office. Specifically, add a column entitled “Anticline SEIS/ROD conformance” between the columns “Actions Status” and “Requested Dates”.

Rationale

There is confusion on the part of the public between the exception review process of the PRMP ROD and the approved exceptions under the SEIS ROD.

DECISION: This recommendation was determined to be administrative and not involving a clarification of a decision or in need of adaptive management to implement and will not be further addressed under the Adaptive Management process.

8. Revise the current internal exception review form to provide for additional clarification between exceptions being reviewed for compliance under the SEIS ROD and exceptions being requested in all other areas of the Pinedale Field Office, or within the Anticline, but outside of the areas where exceptions were explicitly approved in the SEIS ROD.

DECISION: This recommendation was determined to be administrative and not involving a clarification of a decision or in need of adaptive management to implement and will not be further addressed under the Adaptive Management process.

The new format is as follows:

EXCEPTION REQUEST REVIEW

Project Name _____ Company _____

Date Received_____

Requested Dates_____

Lease Number_____

Location: _____Section_____, T____N, R____W COA(s) involved

Activity Description:

Is the exception for a permitted action? Yes No (Return to Operator)

Comments:

Is an exception required? (criteria set forth in RMP Record of Decision pg. 2-20): Yes
 No (Return to Operator)

If any of the following conditions apply no exception required:

*Activities are restricted to existing well pads, access roads, and/or pipeline ROWs and involve no new surface disturbance

- ☐ Daily production operations including pumper visits and maintenance actions
- ☐ Road maintenance and snow removal
- ☐ Remedial workover operations immediately essential to maintaining well production
- ☐ Operations that do not alter well bore or casing and are completed under 3 days during daylight hours
- ☐ Required facility and pipeline maintenance completed under 3 days during daylight hours

Is there a critical need? (criteria set forth in RMP Record of Decision Appx. 8): ___ Yes
No

“...exceptions are for critical situations that may cause the applicant to be out of compliance with timing stipulations attached to the COAs of their APD, ROW Grant, or other contract. They are not intended to be used to extend normal operations into the timing stipulation period.”

Comments:

Is the exception granted per the Pinedale Anticline SEIS Record of Decision 2008? ☐ Yes
☐ No

Justification:

Comments:

PROJECT LEAD RECOMMENDATION:

☐ GRANT ☐ DENY ☐ PARTIALLY GRANT

Signed:

Date:

(Distribute to appropriate BLM biologist **AND** copy to WGFD)

BIOLOGIST REVIEW

Date Received: _____ Initials: _____

WGFD Recommendation:

received: _____

Date recommendation

Is the COA still applicable? ☐ Yes ☐ No

Comments:

Is there any biological benefit to the proposed action? ☐ Yes ☐ No

Comments:

Additional Comments:

BIOLOGIST'S RECOMMENDATION:

____ GRANT ____ DENY ____ PARTIALLY GRANT ____ PENDING UNTIL

Signed:

Date:

(Return to Project Lead)

FIELD MANAGER'S DECISION

____ GRANT

____ DENY

____ Do not concur with recommendation (s)/ Reason:

Signed:

Date: